Ms. Jihan Nurlela

Vice Governor of Lampung Province, Indonesia

UNFCCC COP31. Indonesia Pavillion.

Session B8: Sustaining forest, empowering people: climate finance at the grassroot, lessons learned from FOLU Norway contribution.

Climate finance at provincial level (Lampung)

1. **Result-based Contribution (RBC) for Lampung Province**

   Funding from RBC for forest and biodiversity outcomes in the National Parks (Way Kambas and Bukit Barisan Selatan) including their coastal blue carbon (such as mangrove).

2. Building the capacity of **Subnational Development Bank** (SDB or Bank Pembangunan Daerah/BPD) for Bank Lampung in addressing **climate risks**.

   So that Lampung can address *transition risk* (such as transition to low carbon society) and *physical risk (*such as forest fires in Lamtim and Tulang Bawang, and floods in Pesisir Barat and Bandar Lampung).

3. **Provincial Climate Budget Tagging (P-CBT)**

   Tagging climate expenditures of Lampung to understand the finance capacity, need, and gaps to finance climate measures in Lampung.

Potential for “grassrooting” climate finance in Lampung

Example 1. Climate risk management and scenario analysis (CRMS): Exercise with Bank Lampung about banking support for small and medium enterprises (SMEs/UKM) in Lampung addressing climate risks for SMEs.

Example 2. Climate budget tagging exercise and support: Understanding climate funding for climate-related activities by women groups (Muslimah and Fattayat NU, Aisyah Muhammadiyah, etc), and support for village cooperatives that foster eco-tourisms and forest conservation.

RBC funding (such as from Norway) for Example 1 and 2:

Funding to support the above activities for CRMS (with Bank Lampung) and provincial climate budget tagging (APBD Lampung);

Mobilize further support from RBC funding to provincial funding gaps recommended by the results of budget tagging for Lampung (such forests and mangrove conservation, climate-sensitive gender activities in National Park buffer zones